

# **Statistics of liquidations and insolvencies**

February 2002

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### Key figures as at the end of February 2002 regarding the number of liquidations

Actual estimates	February 2002	December 2001 to February 2002	% change between February 2001 and February 2002	% change between September 2001 to November 2001 and December 2001 to February 2002	% change between January 2001 to February 2001 and January 2002 to February 2002
Number of liquidations	416	1 087	+8,9	-0,6	+19,7

### Key findings as at the end of February 2002 regarding the number of liquidations

#### Total number of liquidations increases

*The total number of liquidations recorded for February 2002 increased by 8,9% (from 382 to 416) compared with February 2001. Furthermore, the total number of liquidations recorded for the first two months of 2002 increased by 19,7% (from 680 to 814) compared with the first two months of 2001. However, the total number of liquidations recorded for the three months ended February 2002 decreased by 0,6% (from 1 093 to 1 087) compared with the previous three months.*

The increase of 8,9% in the total number of liquidations during February 2002 compared with February 2001 was due to an increase of 22,8% (from 268 to 329) in voluntary liquidations.

The decrease of 0,6% in the total number of liquidations during the three months ended February 2002 compared with the three months ended November 2001 was due to a decrease of 27,4% (from 329 to 239) in compulsory liquidations. Compulsory liquidations of companies and of close corporations decreased by 36,4% (from 140 to 89) and 22,2% (from 189 to 147) respectively during the above-mentioned period.

### Key figures as at the end of January 2002 regarding the number of insolvencies

Actual estimates	January 2002	November 2001 to January 2002	% change between January 2001 and January 2002	% change between August 2001 to October 2001 and November 2001 to January 2002
Number of insolvencies	109	440	-54,6	-45,5

### Key findings as at the end of January 2002

#### Total number of insolvencies decreases

*The total number of insolvencies recorded for the three months ended January 2002 decreased by 45,5% (from 807 to 440) compared with the previous three months. The total number of insolvencies for January 2002 decreased by 54,6% (from 240 to 109) compared with January 2001.*

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## Notes

<b>Forthcoming issues</b>	<b>Issue</b>	<b>Expected release date</b>
	March 2002	02 May 2002
	April 2002	30 May 2002
	May 2002	27 June 2002
	June 2002	01 August 2002
	July 2002	29 August 2002
	August 2002	29 September 2002
	September 2002	03 October 2002
	October 2002	31 October 2002
	November 2002	28 November 2002
	January 2003	19 January 2003
	February 2003	28 February 2003

**Purpose of the survey** The Survey of Liquidations and Insolvencies is a monthly survey covering all liquidations and insolvencies in South Africa (SA). Information on liquidations is obtained from the Registrar of Companies and Close Corporations, Department of Trade and Industry, while information on insolvencies is based on Notices of the Master of the Supreme Court which appears in the Government Gazette. The results of this survey are used by the private and public sectors to measure economic performance and are also an important indicator of the scope of unpaid debt in South Africa.

## **Additional information**

### **Explanatory Notes**

- Introduction**
- 1 Statistics South Africa (Stats SA) collects administrative information on liquidations from the Registrar of Companies and Close Corporations, Department of Trade and Industry, while information on insolvencies is gathered from Notices of the Master of the Supreme Court which appear in the Government Gazette.
  - 2 This statistical release reflects voluntary and compulsory liquidations of companies and close corporations and insolvencies of individuals and partnerships.
- Scope of the survey**
- 3 This survey covers -
    - the total number of companies and close corporations which were liquidated; and
    - the total number of individuals and partnerships placed under final sequestration.
- Related publications**
- 4 Users may also wish to refer to the following publications which are available from Stats SA -
    - Bulletin of Statistics.
    - SA Statistics.
- Unpublished statistics**
- 5 In some cases Stats SA can also make available statistics which are not published. The statistics can be made available in one or more of the following ways: computer printout, CD or diskette. Generally a charge is made for providing unpublished statistics.
- Symbols and abbreviations**
- 6 CD            Compact Disc  
Stats SA      Statistics South Africa

# Glossary

<b>Compulsory liquidation</b>	A compulsory liquidation takes place when the affairs of a company or close corporation are wound up by order of the court.
<b>Insolvency</b>	An insolvency refers to an individual or partnership which is unable to pay its debt and is placed under final sequestration. The number of insolvencies does not refer to the number of persons involved, as a partnership which is unable to pay its debt is regarded as one insolvency, irrespective of the number of partners.
<b>Liquidation</b>	A liquidation refers to the winding-up of the affairs of a company or close corporation when liabilities exceed assets and it can be resolved by voluntarily action or by an order of the court.
<b>Voluntary liquidation</b>	A voluntary liquidation takes place when a company or close corporation, by own choice, resolves to wind-up its affairs.

## For more information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

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*Produced by Stats SA*

Table 1- Total number of liquidations according to industry

Industry	2001 Total			February 2001			January 2002			February 2002		
	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total
1.Agriculture, Hunting, Forestry & Fishing	15	40	55	1	3	4	1	10	11	1	3	4
2.Mining & Quarrying	45	65	110	3	9	12	4	4	8	4	6	10
3.Manufacturing	205	234	439	19	26	45	8	24	32	6	42	48
4.Electricity,Gas & Water	2	5	7	1		1	0	0	0	0	3	3
5.Construction	166	388	554	24	58	82	15	30	45	9	28	37
6.Wholesale and Retail Trade, Catering & Accommodation	351	872	1 223	12	73	85	22	110	132	28	103	131
7.Transport, Storage, Communication	79	183	262	28	19	47	4	14	18	7	8	15
8.Financing,Insurance, Real estate, Business Services	368	995	1 363	26	79	105	20	116	136	26	124	150
9.Community, Social, Personal Services	53	90	143	0	1	1	4	12	16	6	12	18
<b>Total number of liquidations</b>	<b>1 284</b>	<b>2 872</b>	<b>4 156</b>	<b>114</b>	<b>268</b>	<b>382</b>	<b>78</b>	<b>320</b>	<b>398</b>	<b>87</b>	<b>329</b>	<b>416</b>

Table 2 - Number of liquidations of companies according to industry

Industry	2001 Total			February 2001			January 2002			February 2002		
	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total
1.Agriculture, Hunting, Forestry & Fishing	2	21	23	0	2	2	0	2	2	1	1	2
2.Mining & Quarrying	3	14	17	0	3	3	0	1	1	0	2	2
3.Manufacturing	58	116	174	1	11	12	2	10	12	3	26	29
4.Electricity,Gas & Water	2	5	7	1		1	0	0	0	0	3	3
5.Construction	23	73	96	0	3	3	2	9	11	5	3	8
6.Wholesale and Retail Trade, Catering & Accommodation	166	416	582	11	39	50	8	39	47	17	48	65
7.Transport, Storage, Communication	10	30	40	0	1	1	1	6	7	4	2	6
8.Financing,Insurance, Real estate, Business Services	164	525	689	4	42	46	3	40	43	12	75	87
9.Community, Social, Personal Services	15	28	43	0	1	1	3	4	7	4	6	10
<b>Total number of liquidations of companies</b>	<b>443</b>	<b>1 228</b>	<b>1 671</b>	<b>17</b>	<b>102</b>	<b>119</b>	<b>19</b>	<b>111</b>	<b>130</b>	<b>46</b>	<b>166</b>	<b>212</b>

Table 3 - Number of liquidations of close corporations according to industry

Industry	2001 Total			February 2001			January 2002			February 2002		
	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total	Compul- sory	Volun- tary	Total
1.Agriculture, Hunting, Forestry & Fishing	13	19	32	1	1	2	1	8	9	0	2	2
2.Mining & Quarrying	42	51	93	3	6	9	4	3	7	4	4	8
3.Manufacturing	147	118	265	18	15	33	6	14	20	3	16	19
4.Electricity,Gas & Water	0	0	0	0	0	0	0	0	0	0	0	0
5.Construction	143	315	458	24	55	79	13	21	34	4	25	29
6.Wholesale and Retail trade,Catering and Accommodation	185	456	641	1	34	35	14	71	85	11	55	66
7.Transport, Storage, Communication	69	153	222	28	18	46	3	8	11	3	6	9
8.Financing,Insurance, Real estate, Business Services	204	470	674	22	37	59	17	76	93	14	49	63
9.Community, Social, Personal Services	38	62	100	0	0	0	1	8	9	2	6	8
<b>Total number of liquidations of close corporations</b>	<b>841</b>	<b>1 644</b>	<b>2 485</b>	<b>97</b>	<b>166</b>	<b>263</b>	<b>59</b>	<b>209</b>	<b>268</b>	<b>41</b>	<b>163</b>	<b>204</b>





Table 9 - Number of voluntary liquidations of companies: 1989 to 2002

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	37	34	58	45	43	35	83	58	39	24	34	34	524	44
1990	43	61	79	39	23	19	17	22	21	18	20	8	370	31
1991	14	15	18	16	16	15	7	15	24	12	11	13	176	15
1992	13	14	10	9	5	16	15	15	15	9	17	16	154	13
1993	17	22	31	14	22	19	23	33	28	25	50	58	342	29
1994	60	77	97	71	120	75	85	94	118	127	174	118	1 216	101
1995	97	106	138	78	84	53	97	88	74	59	40	41	955	80
1996	44	37	43	45	26	44	32	33	41	50	31	23	449	37
1997	50	37	50	37	47	54	33	33	68	67	53	47	576	48
1998	35	46	59	128	52	116	63	48	57	40	116	84	844	70
1999	65	102	95	79	69	68	71	92	96	80	60	51	928	77
2000	59	94	94	79	90	73	57	104	62	85	87	83	967	81
2001	73	102	104	102	115	76	103	111	82	115	146	99	1 228	103
2002	111	166												139

Table 10 - Number of liquidations of close corporations: 1989 to 2002

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	30	24	45	37	36	39	49	54	64	53	42	49	522	44
1990	42	29	34	72	32	77	29	38	26	52	55	47	533	44
1991	58	30	52	61	49	47	70	102	80	72	47	70	738	62
1992	84	98	165	81	78	91	95	100	108	122	105	90	1 217	101
1993	106	112	140	104	127	146	82	124	103	129	107	96	1 376	115
1994	44	137	78	80	119	104	92	128	144	122	78	89	1 215	101
1995	118	118	156	135	137	104	150	155	114	174	151	38	1 550	129
1996	119	102	123	115	117	142	149	174	151	157	169	58	1 576	131
1997	147	154	200	134	167	179	188	183	131	137	179	154	1 953	163
1998	76	135	145	149	166	221	215	196	191	228	306	105	2 133	178
1999	233	169	167	204	237	183	219	157	264	132	205	104	2 274	190
2000	102	78	85	107	128	210	225	359	397	163	236	89	2 179	182
2001	191	263	185	228	175	165	163	355	201	244	165	150	2 485	207
2002	268	204												236

Table 11 - Number of compulsory liquidations of close corporations: 1989 to 2002

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	28	23	39	31	29	35	45	50	61	52	39	45	477	40
1990	40	25	31	72	29	77	29	37	24	49	52	45	510	43
1991	56	29	51	59	46	47	67	99	79	67	42	70	712	59
1992	82	86	159	75	71	85	83	95	103	115	103	85	1 142	95
1993	96	110	127	100	120	133	68	111	91	111	73	86	1 226	102
1994	24	94	51	57	89	79	60	97	89	59	36	43	778	65
1995	73	51	95	62	63	45	98	105	84	147	112	18	953	79
1996	98	53	110	88	83	117	125	143	119	110	129	44	1 219	102
1997	93	107	167	104	128	142	133	119	93	94	112	107	1 399	117
1998	37	77	73	107	116	154	151	115	133	160	221	68	1 412	118
1999	175	81	62	90	113	85	97	55	108	37	83	48	1 034	86
2000	53	21	25	38	17	90	45	199	210	23	103	32	856	71
2001	37	97	40	98	40	35	40	218	64	86	39	47	841	70
2002	59	41												50

Table 12 - Number of voluntary liquidations of close corporations: 1989 to 2002

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	2	1	6	6	7	4	4	4	3	1	3	4	45	4
1990	2	4	3	0	3	0	0	1	2	3	3	2	23	2
1991	2	1	1	2	3	0	3	3	1	5	5	0	26	2
1992	2	12	6	6	7	6	12	5	5	7	2	5	75	6
1993	10	2	13	4	7	13	14	13	12	18	34	10	150	13
1994	20	43	27	23	30	25	32	31	55	63	42	46	437	36
1995	45	67	61	73	74	59	52	50	30	27	39	20	597	50
1996	21	49	13	27	34	25	24	31	32	47	40	14	357	30
1997	54	47	33	30	39	37	55	64	38	43	67	47	554	46
1998	39	58	72	42	50	67	64	81	58	68	85	37	721	60
1999	58	88	105	114	124	98	122	102	156	95	122	56	1 240	103
2000	49	57	60	69	111	120	180	160	187	140	133	57	1 323	110
2001	154	166	145	130	135	130	123	137	137	158	126	103	1 644	137
2002	209	163												186

Table 13 - Total number of insolvencies: 1989 to 2002

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-tot	Year-ave
1989	176	198	187	236	225	206	221	267	243	240	244	215	2 658	222
1990	179	216	268	206	267	302	254	309	343	279	257	224	3 104	259
1991	271	257	325	320	315	306	369	432	411	448	349	254	4 057	338
1992	369	349	485	435	370	447	414	460	548	480	512	385	5 254	438
1993	379	408	553	386	376	390	377	419	385	379	472	319	4 843	404
1994	336	298	399	237	243	283	323	381	275	256	251	191	3 473	289
1995	246	238	250	210	210	212	194	316	231	240	259	164	2 770	231
1996	224	240	240	217	209	230	268	241	236	253	216	229	2 803	234
1997	193	257	218	272	247	300	323	300	330	310	312	220	3 282	274
1998	203	259	417	345	278	339	326	378	367	416	507	453	4 288	357
1999	354	370	645	474	547	702	470*	600	479	524	566	286	6 017	501
2000	282	441*	394*	399*	412*	405	377	486*	306*	371*	406*	312*	4 591	383
2001	240*	295*	338*	296*	358*	295*	364*	310*	249*	248*	198*	133*	3 324	277
2002	109^													

^ Preliminary

\* Revised